## **REMARKS**

After entry of the foregoing amendment, claims 1-7 are pending in the application. Claims 2-7 are newly added.

Claim 1 stands rejected as anticipated by Zhao (6,243,480). The rejection is respectfully traversed.

The cited excerpts from Zhao are understood to relate to his "active watermarks." Zhao explains that an active watermark is one that encodes "an action to be taken" (col. 11, line 35). The simplest example of an active watermark is one that includes program code, which can be executed by a computer system upon which the host digital object is resident (col. 11, lines 41-44). Zhao's Fig. 6 shows an active watermark, conveying program code (611) in addition to owner info (605), access info (607) and owner-defined info (609). This watermark information is encoded in a digital representation (e.g., a digital representation of an image).

Zhao's Fig. 7 shows Java code that may be included in an active watermark. As explained at col. 12, lines 13-31, when this watermark is activated, it sends the message "XYZ displayed" to the internet address corresponding to "syscop.crcg.edu." (Activation of the watermark is performed by a watermark reader (803, Fig. 8) that recognizes the program code (611), and triggers a code interpreter (805) to execute the code instructions.)

The excerpts from column 13 cited in the Action detail some of the actions that can be performed with active watermarks. These include:

- Having a digital representation send a message whenever it is displayed, copied, printed, or edited; for example, whenever a document with an active watermark stored on a Web server is downloaded from the server, the active watermark can cause a message containing billing information to be sent to a billing server.<sup>1</sup>
- Having the digital representation obtain locally-available information, which will then govern the behavior and usage of the digital representation.<sup>2</sup>

<sup>&</sup>lt;sup>1</sup> Col. 13, lines 19-24.

<sup>&</sup>lt;sup>2</sup> Col. 13, lines 25-27.

WYC:lmp 3/7/05 P0512S PATENT

The first bullet item is exemplified by the example given earlier: when image XYZ is displayed, a message is sent to a server. This "XYZ displayed" message can trigger a billing operation.

The second bullet item is understood to mean that a digital representation (e.g., an audio file) can govern its permitted behavior/usage by referring to locally-available information. One example of this may a RealAudio music file that looks on the computer where it is stored for information indicating that the computer's owner has paid his monthly subscription to the RealAudio music service. If so, this locally-available information (i.e., information indicating the current month's subscription has been paid) signals that the music file can be played. If not, the music file cannot be played.

Thus, the "locally-available information" referenced by Zhao is understood to be information stored on the same device as the "digital representation," and that is used to determine which behaviors/usages are permitted or forbidden.

It will be recognized that Zhao's arrangement is entirely different than the invention defined by applicant's claim 1. In the claimed arrangement, an identifier sensed from an object is sent to one of plural different indexing systems – the choice of indexing system being based on information related to user location. (Claim 1 has been amended to emphasize that there are several possible indexing systems.)

The new claims are submitted to more fully protect applicant's inventive work.

Date: March 7, 2005

**CUSTOMER NUMBER 23735** 

Phone: 503-469-4800 FAX 503-469-4777

Respectfully submitted,

DIGIMAR&CORPORATION

By William Y Conwell

Registration No. 31,943